



1. Introduction

This Business Needs and Process Report is a MAXIMUS deliverable for the Requirements and Acquisition phase of the New Hampshire ERP Project.

1.1 Purpose

An initial step in any sound information system project is the identification of business processes that the system is to support. This report identifies and describes major statewide business currently in use in New Hampshire.

Existing business processes are based, in part, on automated support provided by the legacy IFS and GHRS systems. A new integrated ERP will provide automated support for additional business processes. Further, integration of functionality will lessen the need for manual intervention. Both new automated support and enhanced integration will enable significant process improvement. In discussing the State's vision, this report identifies opportunities for process improvement.

Coverage of this report stops short of defining improved business processes. New Hampshire is committed to implementing a commercial, off-the-shelf ERP solution without modification. The ERP product selected may dictate which specific process improvements are possible. Consequently, business process reengineering will be a component of the ERP implementation phase.

1.2 Report Organization

This report is organized around key functional areas of ERP software. Areas are:

- Budgeting;
- Financial Accounting;
- Accounts Payable;
- Grants and Projects;
- Assets and Inventory;
- Purchasing;
- Human Resources;
- Revenue and Receipts; and
- Treasury.

Within each area, several processes are described. For example, within the budgeting area, processes include:

- General Fund Budget Development;
- Capital Fund Budget Development;
- Budget Reduction;
- Budget Transfer;
- Authorization to Accept and Spend; and
- Supplemental Appropriation.



Coverage of a process begins with a general description. Descriptions are designed to provide an understanding of major steps and to facilitate discussion of specific topics related to those steps. Some descriptions include flow diagrams.

Following a description, business rules are addressed. Discussion focuses on those business rules that should be incorporated into a new system. For example, a business rule requiring confirmation about availability of funds before an order is placed should be a system requirement.

The final topic addressed is a combination of issues with the current process and vision for a new system. Issues focus on inadequate or less than optimal support from existing systems, while vision addresses changes that would rectify or minimize the issue. An issue in the procurement process might relate to need to re-key data from one procurement document to its successor. The related vision could involve populating a draft procurement document from its predecessor.

1.3 Development Methodology

Steps in production of this report follow.

1. **Preliminary Draft:** MAXIMUS consults a few subject-matter experts to produce preliminary drafts. Preliminary drafts provide structure for gathering broad input.
2. **Publication of Draft:** DAS publishes preliminary and updated drafts on SunSpot to provide access to stakeholders. Comments and suggestions are welcome. All input is shared in the hearing for the functional area. Input received within two business days after a hearing is also considered in producing the final Report.
3. **Hearing by Area:** MAXIMUS, with assistance from subject-matter experts, conducts a hearing for stakeholders on each functional area. The preliminary draft coupled with comments and suggestions received serves as the basis for the agenda. MAXIMUS maintains notes on input received.
4. **Draft for Submission:** After a hearing, MAXIMUS works with the same subject-matter experts that contributed to the preliminary draft to ensure that all ideas generated in or as a result of the hearing are incorporated into the report. In the event that contradictory views are expressed, the State Project leadership is consulted for direction.
5. **Acceptance Review:** When input from interested State staff is incorporated, the report is submitted for acceptance review. To spread the burden of the final review over time, MAXIMUS submits coverage of areas as they are completed. The State completes its review within five business days of receiving the last section. MAXIMUS incorporates requested corrections or modifications.

1.4 Intended Uses

This report is designed to serve several audiences in different ways. Discussion of the intended uses of this report follows.



1.4.1 Refinement of Software Requirements

Software requirements are statements, usually written in the form of commands, describing specific functionality sought. MAXIMUS has developed a database of ERP requirements from other engagements – primarily in Alaska and Florida. Development of New Hampshire requirements will begin with selection of requirements from the database. Working with subject-matter experts, MAXIMUS will edit selected requirements to ensure that they define specific New Hampshire needs.

Information contained in this report will be used to validate and, if necessary, augment requirements. Draft requirements will be reviewed to ensure that business rules, issues and vision are addressed. New requirements will be written to correct any omissions detected.

1.4.2 Background for Strategic Business Plan

The first two components of the *Strategic Business Plan* deliverable are a description of the current situation and the State's vision for the future. These two sections are intended for inclusion in the RFP to solicit proposals for ERP software and implementation services.

Both the current situation and the State's vision were addressed in the *Enterprise Resource Planning Feasibility Study* published in May 2002. Information in this report will be used to augment coverage from the *Feasibility Study*, making coverage in the *Strategic Business Plan* more specific.

1.4.3 Basis for Software Demonstrations

Before selecting ERP software, the State should request demonstrations of support for selected processes. Process descriptions in this document will be a key source for instructing vendors about functionality to be demonstrated.

1.4.4 Orient Bidders and the Implementation Vendor

MAXIMUS recommends that this report be available as background to firms interested in providing ERP software and implementation services. Information covered will enable bidders to tailor their proposals to New Hampshire needs.

The nature of an information system project involves iterative coverage of the same topics. A new iteration typically covers information at a more detailed level than the previous iteration. While such redundant coverage is necessary, both the State and its selected vendor benefit by starting with as much information as possible. Therefore, this report will provide value by orienting the selected implementation vendor.